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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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AZ CORP COMMISSION
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Arizona Corporation Commission

DOCKETED

SEP 19 2014

DOCKETED BY

DOCKET NO. E-01773A-12-0305

ORIGINAL

IN THE MATTER OF THE APPLICATION OF
 ARIZONA ELECTRIC POWER COOPERATIVE,
 INC. FOR A HEARING TO DETERMINE THE
 FAIR VALUE OF ITS PROPERTY FOR
 RATEMAKING PURPOSES, TO FIX A JUST AND
 REASONABLE RETURN THEREON AND TO
 APPROVE RATES DESIGNED TO DEVELOP
 SUCH RETURN.

**PROCEDURAL ORDER RE ECAR
APPLICATION****BY THE COMMISSION:**

On July 5, 2012, Arizona Electric Power Cooperative, Inc. ("AEPCO") filed with the Arizona Corporation Commission ("Commission") an application for a rate decrease.

On October 25, 2013, the Commission issued Decision No. 74173. Among other things, Decision No. 74173 ordered the record in this case to be held open until April 30, 2014, for the limited purpose of allowing AEPCO to file for Commission approval, if it so chose, after collaboration with the Commission's Utilities Division ("Staff"), a proposed Environmental Compliance Adjustment Rider ("ECAR") and plan of administration fully addressing the technical points raised by Staff in the rate proceeding. In the event AEPCO chose to file an ECAR application, Decision No. 74173 also ordered AEPCO to provide notice of its filing to the customers of its member distribution cooperatives, due to the possibility of significant rate increases through an ECAR surcharge that would be passed on to the customers of its Class A member distribution cooperatives. Decision No. 74173 ordered AEPCO to file proof of notice within 30 days of the filing of an ECAR application.

On April 30, 2014, AEPCO filed in this docket an Application for Approval of the ECAR Plan of Administration and Tariff ("ECAR Application").

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1 On July 24, 2014, AEPCO filed affidavits of publication confirming that it had caused notice
 2 of its ECAR Application to be published on June 20, 2014 in the *Mohave Daily News*, on July 21,
 3 2014, in the *Arizona Daily Star*, and in the July 2014 issue of *Currents* magazine.

4 On July 30, 2014, the Commission issued Decision No. 74600 in this docket, amending
 5 Decision No. 74173 to extend the time for AEPCO to complete customer notice of its ECAR
 6 Application.

7 On September 2, 2014, AEPCO filed a Request for Procedural Order Re ECAR Application
 8 ("Request"). Therein, AEPCO proposed the following filing schedule for the ECAR Application:

9 Staff Report and Proposed Order October 23, 2014

10 AEPCO Response to Staff Report
 11 and AEPCO Proposed Order November 13, 2014

12 AEPCO anticipates that its proposed filing schedule will provide sufficient time for the
 13 Commission to consider a Recommended Opinion and Order¹ prepared by the Hearing Division at its
 14 January 2015 Open Meeting.

15 Staff did not file a response to the Request.

16 As no party has requested that a hearing be held on the ECAR Application, the proposed
 17 schedule for the filing of a Staff Report and AEPCO's Response to the Staff Report is reasonable.
 18 While the Request included language regarding "Proposed Orders" to be filed by Staff and AEPCO,
 19 the Request also indicates that due to the existence of a disputed issue between the parties, AEPCO
 20 anticipates that the Hearing Division will prepare a Recommended Order for the Commission's
 21 consideration. Therefore, neither party will be required to file a proposed form of order.

22 IT IS THEREFORE ORDERED that **Staff shall file, on or before October 23, 2014, a Staff**
 23 **Report on the ECAR Application** including Staff's analysis and a recommendation for Commission
 24 action.

25 IT IS FURTHER ORDERED that **Arizona Electric Power Cooperative, Inc. shall file, on**
 26 **or before November 13, 2014, its Response to the Staff Report.**

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 28 ¹ It is assumed that AEPCO intended to reference a "Recommended Order" instead of "Recommended Opinion and Order," since AEPCO did not propose that a hearing be held on the ECAR Application.

1 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
2 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
3 hearing.

4 DATED this 19th day of September, 2014.

5
6
7 
8 TEENA VIBILIAN
ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered
10 this 19th day of September 2014 to:

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